

PART XXI      REDUCTION, SUSPENSION, CANCELLATION OF FOOD STAMP BENEFITS

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A. GENERAL PURPOSE

This chapter provides guidelines local agencies must use if the USDA orders a reduction, suspension or cancellation of food stamp benefits. Depending upon the orders issued by USDA, there could be a suspension or cancellation of benefits for one or more months, a reduction for one or more months or a combination of these.

B. DEFINITIONS

1. Reduction - A reduction of food stamp benefits means that there will be a percentage reduction of the maximum **benefit** allotments. Local agencies will receive allotment tables that reflect the reduction as it applies to each household size at each income increment.
2. Cancellation - A cancellation of food stamp benefits means that there will be no benefits issued for a particular month or months.
3. Suspension - A suspension of food stamp benefits is basically the same as a cancellation except it should be more temporary. The net effect of a suspension may mean that eligible household would receive benefits a delayed basis.

C. REDUCTION

The Virginia Department of Social Services will notify local agencies if there must be a reduction of food stamp benefits. The notification will include the effective date of the reduction and the percentage.

When agencies receive the notice that a reduction must occur, local workers must act immediately to implement the order. **Modification of the statewide computer system must also occur so that households would receive the appropriate benefit amounts.**

Any household with one or two members whose reduced benefits would be less than \$10 would generally receive a minimum benefit of \$10. If there is a reduction rate of 90% or more for the affected month, one or two-person households would not receive the \$10 minimum. Benefit levels of \$1, \$3 and \$5 must be rounded up to \$2, \$4 and \$6 respectively.

D. SUSPENSION AND CANCELLATIONS

The Virginia Department of Social Services will notify local agencies if there must be a suspension or cancellation of food stamp benefits and the effective date of the suspension or cancellation.

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Households will not receive a minimum benefit if benefits are suspended or cancelled.

When agencies receive the notice that a suspension or cancellation must take place, local workers must act immediately to implement the order. Reprogramming for the statewide computer system must also occur timely to make necessary computer adjustments.

E. GENERAL OPERATING PROCEDURES

1. Notifying Eligible Households

A reduction, suspension or cancellation of benefits would be a mass change. Normal requirements applied to mass changes would be used:

- a. Notification of recipients through news media.
- b. Posters in certification offices.
- c. General explanatory notices mailed to participating households.

Local agencies may not use the Advance Notice of Proposed Action to notify households in the event of a reduction, suspension or cancellation.

2. Restoration of Benefits

Households receiving restored benefits or who are to receive retroactive benefits at the time of the order for reduction, suspension or cancellation of benefits, will not have these benefits affected during the month(s) the action is in effect.

Households who receive reduced or cancelled benefits because of these procedures are not entitled to restoration of benefits at a future date unless USDA orders the restoration.

3. Record Keeping

There must be a record of benefits that households receive during a month(s) when a reduction is in effect and the amount households would have received had full monthly benefits been distributed.

There must also be records kept to show the amount of benefits households would have received if there is a cancellation of benefits.

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4. Eligibility Determination

An order for a reduction, suspension or cancellation of benefits will not affect the determination of eligibility. Local agencies must accept and process applications within normal time frames. If however, an applicant is determined eligible and a reduction is in effect, that household must receive benefits according to the revised issuance tables that reflect the reduction.

If an applicant is eligible and a cancellation is in effect, the household will not receive any benefits.

5. Expedited Services

a. Households eligible for expedited processing who apply during month(s) when a reduction or suspension is in effect shall be processed according to expedited procedures.

- 1) If a reduction is in effect the allotment issued must reflect the reduction.
- 2) If a suspension is in effect at the time of certification, the eligible household will not receive any benefits until the suspension of benefits is no longer in effect.

b. Households eligible for expedited processing who apply during month(s) in which cancellations are in effect must have their cases processed either in **seven** calendar days or by the end of the month of application, whichever date is later.

6. Certification Periods

A reduction, suspension or cancellation will have no effect on the certification periods assigned to eligible households.

Normal recertification procedures will also apply during a reduction, suspension or cancellation of benefits.

7. Action To Be Taken When The Suspension or Cancellation Is Lifted

Local agencies will receive immediate notice that the suspension or cancellation of benefits is over. **Local agencies and the State Office must resume all actions to post full benefits to EBT accounts of certified households as soon as possible.**

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8. Fair Hearings

Households may request a fair hearing if the household believes that the benefit level was computed incorrectly or that the rules were misapplied or misinterpreted for benefits that were reduced, suspended or cancelled by this policy. Under no circumstances do households have a right to continuation of benefits, even if they appeal in a timely manner.

If a hearing determines that a household received fewer benefits than it should have, the household may be entitled to restoration of lost benefits for the difference.